

CHAPTER 10
INVENTORY GUIDELINES FOR STATE OF IOWA
PERSONAL AND REAL PROPERTY

401—10.1(7A) Purpose. The department of general services is responsible for establishing inventory guidelines for personal and real property owned by state departments. Beginning July 1, 1998, the accompanying rules are the minimum universal guidelines for personal property. Each state department may implement more restrictive guidelines to enhance accountability for physical assets.

401—10.2(7A) Definitions.

10.2(1) *Personal property.* For purposes of this chapter, personal property is any item or equipment that has an acquisition value of \$2000 or more and has an anticipated useful life of one year or more. Computer software is to be excluded from this definition.

10.2(2) *Accounting in aggregate.* Accounting in aggregate is the process of accounting for certain types of items in a lump sum rather than individually. Items accounted for in aggregate are added for the combined value with one entry to the fixed asset listing. Items that may be accounted for in aggregate are defined below:

- a. One item that is made up of two or more component parts, or
- b. Two or more like items whose individual values are less than \$2000, but combined value is \$2000 or more, or
- c. Two or more like items whose individual values are \$2000 or greater, if the item does not fall under paragraph "a" above and it is not physically feasible to account for the items individually.

10.2(3) *Acquisition value—cost or estimated cost.* Cost or estimated cost may include freight, installation expense and administrative expense, if readily known and available. If cost is unknown and cannot be estimated, acquisition value is the fair market value. For donated items, acquisition value is the fair market value at date of donation.

10.2(4) *Department.* A department is any state agency or institution as identified in Iowa Code section 7A.30.

401—10.3(7A) Accounting for items in aggregate. Personal property may be accounted for in aggregate. Items accounted for in aggregate shall be tagged as follows:

1. If accounting in aggregate as defined in 10.2(2) "a" or 10.2(2) "c," one item or component of the item shall be tagged with a prenumbered tag and all other items or components marked with an unnumbered tag or other identifiable markings.
2. If accounting in aggregate as defined in 10.2(2) "b" or 10.2(2) "c," one item or component of the group may be tagged with a prenumbered tag and all other items or components marked with an unnumbered tag or other identifiable markings, or all components may be marked with an unnumbered tag or other identifiable markings.

To ensure proper accountability for these items, each department will prepare written policies and procedures for tracking and recording items accounted for in aggregate.

401—10.4(7A) Physical inventory. A physical inventory of personal property must be taken and the results reconciled with property records at least once every two years.

401—10.5(7A) Inventory identification. If feasible, all inventoried personal property should be identified as state of Iowa property with a prenumbered decal or the appropriate bar code tag or other identifiable mark.

401—10.6(7A) Inventory listing. Personal property should be accounted for on an inventory listing. As applicable, the following minimum information must be presented on the inventory listing for each record of personal property:

1. Department.
2. Tag number.
3. Description.
4. Acquisition value.
5. Location(s).
6. Acquisition date.
7. Disposition date (not applicable until disposal of property).
8. If the department depreciates personal property, the information will also include the depreciation method used, life expectancy and net book value.

Departments shall develop adequate internal control procedures that (1) identify individual(s) authorized to update and change the inventory records and (2) provide for an adequate segregation of duties between the recording and custody of property.

401—10.7(7A) Capital leases. Property acquired under capital lease provisions shall be accounted for on the inventory listing at the inception of the lease.

These rules are intended to implement Iowa Code section 7A.30.

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